

## Why the Huge Interest?

An Interview with Myron Wasylyk,  
Senior Vice President, The PBN Company, Kiev

**EDITORS' NOTE** Myron Wasylyk joined The PBN Company in 1997 as a Senior Project Manager for the Ukraine Market Reform Education Program, and in 1998, opened The PBN Company's representative office in Kiev. He has served as Chairman of the Board of the American Chamber of Commerce in Ukraine (AmCham), is the Ukraine Representative of the Coalition for Intellectual Property (CIPR), and sits on the supervisory boards of the Eurasian Foundation in Ukraine and the International Center for Policy Studies (ICPS). He graduated from Kent State University in Ohio in 1984, and has lectured and published extensively on a number of business and international affairs topics.



Myron Wasylyk

**COMPANY BRIEF** Founded in 1983, The PBN Company is an international strategic communications consultancy, serving clients through the United States, Europe, the former Soviet Union, and the Baltic states, from offices in Washington, DC; London; Moscow; Kiev; and Riga. The firm's services include the delivery of positioning strategies, reputation management, crisis management, government relations, and public affairs.

### What are The PBN Company's particular specialties in Ukraine?

Our three main business lines include lobbying and government relations, corporate communications and positioning, and financial communications and investor relations. We made a conscious decision in 1990 to enter what is now the former Soviet Union. We were the first agency in Moscow in 1991 and, thereafter, opened offices in Moldova, Ukraine, Kazakhstan, and Riga. Back then, we worked almost exclusively for Western multinationals entering the market. Today, significant business comes from homegrown market leaders. We continue to see huge interest from Western strategic and portfolio investors who want to get a foothold in Russia, Ukraine, and Kazakhstan, but don't understand the political processes that are underway in each of these markets. So we're spending a lot of time on market introductions and risk analysis.

### How would you describe the Ukrainian economy, and how will it change in coming years?

The tax and budget reforms implemented after the Orange Revolution opened up Ukraine's economy to further economic growth and investment. Those reforms transferred significant public monies into the private sector, fueling consumer spending, and resulting in a boom in the real estate, retail, banking, insurance, and other consumer sectors. Strategic investment in mining, steel, metallurgy, and agriculture has revived key sectors of the economy. There is keen interest in the government's upcoming privatization of chemical plants, as well as oil and gas exploration licenses.

One development that cannot be underestimated is Ukraine and Poland's choice to host the 2012 European Football Championship Tournament. Four Ukrainian cities – Kiev, Donetsk, Dnipropetrovsk, and Lviv – will host the European League finals. As a result, Ukraine's attention has been focused on infrastructure development such as highways, airports, railways, hotels, and office and retail space. I expect the face of this country to radically change during the next five years.

### What impact has Ukraine's turbulent politics had on its economic climate?

Changes in political systems, particularly democratic transitions, are never easy, and building consensus can take longer than expected. Despite the headlines, the desire by the country's main political players to build a democratic system of transparent and predictable checks and balances seems real, and is welcomed by business. Moreover, the commitment to market principles appears solid, allowing businesses to continue investing while the politicians get their house in order.

### What advice would you offer those interested in investing in Ukraine?

This is a dynamic market of 46 million well-educated Europeans with a strong economic base. The time it takes to join the European Common Market is a unique window of economic opportunity for manufacturers, transporters, builders, and investors. Located in the heart of Europe, Ukraine borders six EU countries, as well as Russia and Belarus. Some of the highest yields in Europe come from deals and economic opportunities being seized in Ukraine. The longer you wait, the more expensive it will be to enter the market. ●

### AeroSvit



The promotional tagline for AeroSvit Ukrainian Airlines reads, "The Best Way to Travel to Ukraine." It is an altogether accurate description.

Having experienced round-trip AeroSvit flights from New York to Kiev and Kiev to Lviv aboard Boeing-737 aircraft, during our recent visit to Ukraine, LEADERS can attest to the warmth and friendliness of its flight attendants, its comfortable business-class seats, and the good selection of hot meals, wines and spirits, and digital/audio equipment that this airline has to offer.

Not only is AeroSvit the best way to travel to Kiev from New York and Toronto (the round-trip New York-Kiev flight is available five days a week, and there is two-days-per-week round-trip service from Toronto to Kiev), it also provides round-trip service to/from many of Europe's and Asia's leading destinations, including: Beijing, Bangkok, Delhi, Dubai, Cairo, Moscow, Karachi, Stockholm, Istanbul, Athens, Prague, Tel Aviv, and Shanghai. AeroSvit also provides service to seven cities within Ukraine, including Donetsk and Odessa.

You can find AeroSvit sales offices in many major cities around the world. Ticket information is available on the airline's websites, <http://www.aerosvit.com>, or contact [agd@aerosvit.com](mailto:agd@aerosvit.com) (international) or [sales@aerosvit.com](mailto:sales@aerosvit.com) (United States). ●

### Opera Hotel

Opening this past December, the newest luxury boutique hotel in Ukraine's beautiful capital city of Kiev is the Opera Hotel. It is located near the renowned National Opera House, approximately 15 minutes from downtown, near the important historical and business sections of Kiev. This location offers business executives a superb vantage point from which to combine business meetings and sightseeing opportunities.

The Opera Hotel has 138 appointed rooms and suites, a business club and business lounge, conference rooms, a fine Italian restaurant, a lobby bar, and a fitness center/spa.

For years, the Premier Palace Hotel and Radisson SAS Hotel have been rated the two leading luxury hotels in Kiev. The opening of the Opera Hotel will present these two excellent properties with some interesting competition. ●